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UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

In re ACACIA MEDIA TECHNOLOGIES CORPORATION	Case No. 05 CV 01114 JW MDL No. 1665 **PLAINTIFF ACACIA MEDIA TECHNOLOGIES CORPORATION'S POST-HEARING REPLY BRIEF RE MOTION FOR RECONSIDERATION AND CLARIFICATION OF THE JULY 12, 2004 MARKMAN ORDER RE THE TERMS "TRANSMISSION SYSTEM," "TRANSMISSION SYSTEM AT A FIRST LOCATION," "RECEPTION SYSTEM AT A SECOND LOCATION," "IN DATA COMMUNICATION WITH," "REMOTE LOCATIONS," AND "TRANSCEIVER"** **DATE:** September 8-9, 2005 **TIME:** 9:00 a.m. **CTRM:** Hon. James Ware

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I. INTRODUCTION

This reply brief responds to defendants legal contentions re “at a first location,” “at a second location,” “in data communication with,” “remote locations,” and “transceiver,” and brings to the Court’s attention new and controlling Federal Circuit authority holding that the term “a” carries the meaning of “one or more” in open-ended claims containing the transitional phrase “comprising” and holding that the use of the terms “first” and “second” is a common patent-law convention to distinguish between repeated instances of an element.

II. THE COURT SHOULD RECONSIDER ITS CONSTRUCTION OF THE TERM “TRANSMISSION SYSTEM” IN THE CLAIMS OF THE ‘992 PATENT

In its Motion for Reconsideration, Acacia asks the Court to reconsider its construction of the claim term “transmission system,” as used in the claims of the ‘992 patent. It is indisputable that the ‘992 patent defines the transmission system as being located at one or more location (‘992 patent, 5:63-65; Weiss, Sept. 8, 2005, at 85:20 – 86:7). In fact, Mr. Weiss explained that it was normal, even before 1991, for transmission facilities to be located in more than one location. (Weiss, Sept. 8, 2005, at 86:4-7).

A construction for “transmission system,” as used in the claims of the ‘992 patent, which specifies that the transmission system is located in one or more location is consistent with the specification and would avoid any juror confusion that the “transmission system” must be located in only one location.

III. THE COURT SHOULD RECONSIDER ITS CONSTRUCTION OF THE PHRASES “TRANSMISSION SYSTEM AT A FIRST LOCATION” AND “RECEPTION SYSTEM AT A SECOND LOCATION”

In its Motion for Reconsideration, Acacia asks the Court to reconsider its construction of the phrases “a transmission system at a first location” and “a reception system at a second location.” The construction for these phrases should specify that the “transmission system” and the “reception system” are separate from each other and that each are located in one or more locations.

A. The Claim Term “A” Should Be Construed To Mean “One Or More”

In its motion and at the hearing, Acacia contended that the term “a” in the phrase “at a first location” means “one or more.” Although the Court acknowledged that the term “a” can mean “one or more," the Court declined to give the term this meaning. The Court did not explain its reasoning, other than to state that the term "at" limits the transmission system to a single location. (Markman Order, at 29:23 – 30:8).

At the hearing, Acacia's counsel discussed the recent case of *Collegenet, Inc. v. Applyyourself, Inc.*, 418 F.3d 1225, 2005 U.S. App. LEXIS 15805 (Fed. Cir. August 2, 2005). In *Collegenet*, the Federal Circuit construed the term "a" in the claim phrase "providing . . . forms. . . in ***a*** format specified by the institution . . ." to mean "one or more." The Federal Circuit explained that "[i]t is well settled that the term 'a' or 'an' ordinarily means 'one or more.'" *Collegenet*, 418 F.3d at ___, 2005 U.S. App. LEXIS 15805 at *17. The court gave the term "a" this construction in spite of the fact that the claim uses the singular form of the term "format" and in spite of the fact that the term "a" appears in the phrase "***in*** a format." In other words, if the term "a" in the phrase "in a format" in the *Collegenet* case could take on the meaning of "one or more," then the term "a" in the phrase "at a first location" should likewise mean "one or more."

Following the hearing, the Federal Circuit issued yet another opinion in which the court interpreted the claim term "a" to mean "one or more." *Free Motion Fitness, Inc. v. Cybex International, Inc.*, __ F.3d __ , 2005 U.S. App. LEXIS 19886, at *17-18 (Fed. Cir. September 16, 2005). In the *Free Motion Fitness* case, the claim phrase at issue was "a linking cable." "The district court interpreted this phrase to mean only a single cable. The district court reached this construction by pointing to the patents' numerous references to a single cable and "inferring from the patents' use of the plural in other instances 'that if the patent intended more than one cable, it would have expressly indicated that by using a plural term.'" *Free Motion Fitness*, __ F.3d at __ , 2005 U.S. App. LEXIS 19886, at *16.

The Federal Circuit reversed the district court, however, because the claim term "'a' or 'an' in patent parlance carries the meaning of 'one or more' in open-ended claims containing the transitional phrase 'comprising.'"[1] *Free Motion Fitness*, __ F.3d at __ , 2005 U.S. App. LEXIS

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[1] This statement from the Federal Circuit effectively rebuts the arguments by Comcast and EchoStar that "Acacia misstates the meaning of the term 'comprising.'" (EchoStar Opposition, at 3:4-5; *See also*, Comcast Opposition, at 18:2-8).

19886, at *17, *quoting*, *KCJ Corp. v. Kinetic Concepts, Inc.*, 223 F.3d 1351, 1356 (Fed. Cir. 2000). The Federal Circuit elaborated on this claim construction convention and stated that: "[t]his convention is overcome only when 'the claim is specific as to the number of elements' or 'when the patentee evinces a clear intent to . . . limit the article.'" *Free Motion Fitness*, __ F.3d at __ , 2005 U.S. App. LEXIS 19886, at *17, *quoting*, *KCJ Corp.*, 223 F.3d at 1356. The accused infringer Cybex contended that the presumption was overcome because the specification describes the cable as a "single cable." The court rejected this contention, because the "references to a single cable in the specification are found in the description of the preferred embodiments, and do not evince a clear intent by the patentee to limit the article to the singular." *Free Motion Fitness*, __ F.3d at __ , 2005 U.S. App. LEXIS 19886, at *17.

The *KCJ Corp.* case is also on point. In *KCJ Corp.*, the district court construed the term "a" in the phrase "a . . . continuous . . . chamber" to mean "only one non-interruptable chamber." *KCJ Corp. v. Kinetic Concepts, Inc.*, 223 F.3d 1351, 1355 (Fed. Cir. 2000). The Federal Circuit reversed, holding that the term "a" means "one or more." The Federal Circuit stated that "when the claim language or context suggests an ambiguity in application of the general meaning of an article, this court undertakes an examination of the written description and prosecution history to ascertain whether to limit the meaning of 'a' or 'an.'" *KCJ Corp.*, 223 F.3d at 1356. Thus, the Federal Circuit examined the specification and prosecution history to see whether it could find a "clear intent" to limit the continuous chamber to a single continuous chamber. The court could find no evidence of any such intent:

> In the present case, neither the claim nor its context suggests an exceptional meaning for the article. The intrinsic evidence simply provides no support for departing from the general rule. At the outset, the claim language of clause (a), "a . . . continuous . . . chamber," does not specify the number of elements. Thus, under the general rules of claim construction, this court presumes the customary meaning of "a" - one or more. Furthermore, the written description does not trump that construction. Referring to Figure 3, the written description of the '767 patent discloses that "the bottom, side and top walls 22, 24, and 26 cooperatively define a lower inflatable chamber broadly referred to by the numeral 34." '767 patent, col. 4, ll. 20-22. Chamber 34 is operatively coupled to a secondary uppermost wall 36, which provides even airflow. See id. at col. 4, ll. 32-45. The written description at no point restricts the invention to only one chamber.

> Similarly, the prosecution history of the '767 patent does not disclaim multiple chambers.

KCJ Corp., 223 F.3d at 1357.

In the present case, the claim phrases are “transmission system at a first location” and “reception system at a second location.” There is a presumption that the term “a” in these phrases means “one or more.” This presumption can only be overcome when the claim is specific as to the number of elements or the patentee evinces a clear intent . . . to limit the article. *Free Motion Fitness*, __ F.3d at __ , 2005 U.S. App. LEXIS 19886, at *17.

The claim is *not* specific as to the number of locations for the transmission system or the reception system – the claim refers to a first location and a second location. As discussed in more detail below, the terms “first” and “second” are not numerical limitations; they are used to distinguish between repeated instances of “location.” The fact that the claim uses the singular form of the word “location” also does not serve to limit the location of the transmission system to a single location. The claims in *Collegenet*, *Free Motion Fitness*, and *KCJ Corp.* each used the singular form of the term, but in none of these cases did this fact cause the article “a” in the claims to be limited to only one.

Further, the term “at” does not mean that the claim limits the transmission system or the reception system to a single location. The transmission system and reception system are specifically defined as being comprised of a number of elements and the patent defines the elements of the transmission system as being located in one facility or spread over a plurality of facilities.[2] (‘702 patent, 5:57-59). Thus, the transmission system and reception system can have one element at one location and another element at another location. Thus, it would be correct to say that the transmission system (or the reception system) is at more than one location.

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[2] Defendant Comcast contends that this statement from the specification only refers to Figures 2a and 2b of the patent, not to Figures 1a-1g, which the Court described as evidencing support in the patent for a transmission system at a single location. (Comcast Opposition, at 19:1-5). The statement from the patent specification uses the reference numeral 100 to refer to the transmission system. The transmission system in Figures 1a-1g and Figures 2a and 2b is referred to with reference numeral 100. The statement in the patent therefore applies to *all* transmission systems identified with reference numeral 100, whether they are in Figures 1a-1g or Figures 2a and 2b. If the patentees had intended to distinguish the transmission systems in Figures 1a-1g from the transmission system in Figures 2a and 2b, they would have so specified and would have used a different reference numeral for each.

There is likewise no evidence that the patentees had a clear intent to limit the transmission system or the reception system to a single location. To determine whether the patentees had such intent, the Court must look at the specification and the prosecution history. *KCJ Corp.*, 223 F.3d at 1356. With respect to "transmission system," the specification defines the transmission system as being located in one or more locations. ('702 patent, 5:57-59). There was no intent to limit the transmission system to a single location; the intent was to have the transmission system at one or more locations.[3], [4] There is nothing in the prosecution history relating to the location(s) of the transmission system.

With respect to the reception system, the specification describes the reception system as having a number of elements. Nothing in the specification, however, restricts the elements of the reception system to a single location. *KCJ Corp.*, 223 F.3d at 1357 ("The written description at no point restricts the invention to only one chamber.") Like the transmission system, there is nothing in the prosecution history relating to the location(s) of the transmission system.[5]

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[3] As discussed in Acacia's Opening Brief, the Court held that the specification "supports" a transmission system at a single location and relied, in part, on this finding to limit the transmission system in the phrase "transmission system at a first location" to a single location. (Markman Order, 30:9-14). As discussed in *Free Motion Fitness* and *KCJ Corp.*, however, the issue is not whether the specification could support a transmission system at a single location, the issue is whether the specification and prosecution history evidences an intent to limit the transmission system to a single location. That evidence is not present in this case.

[4] Defendant Comcast also refers to one sentence from the patent describing the peer-to-peer configuration shown in Figure 1a. (Comcast Opposition, at 19:5-18). The patentees did not state that the transmission system or the reception system are each at a single location; what they said was that, in this embodiment "one transmission system 100 communicates with one reception system 200." ('702 patent, 3:60-63). This statement says *nothing* about the *location* of the elements of the transmission system or the reception system; it only says that one transmission system (at whatever location or locations) communicates with one reception system (at whatever location or locations). Figure 1a merely demonstrates that the transmission system (at whatever location or locations) is separate from the reception system (at whatever location or locations).

[5] As also discussed in Acacia's Opening Brief, the Court contended that it was "conceivable" that the patentees intended to limit the transmission system in the claims to a single location to preserve the validity of the claims. (Markman Order, page 30, n 23). There is no evidence that the patentees were concerned about the validity of the claims of the '702 patent if the transmission system were at more than one location. If anything, by using the open-ended transition phrase

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Accordingly, the Court should apply the presumption that the term "a" in the phrases "at a first location" and "at a second location" means "one or more." This presumption cannot be overcome.

B. The Terms "First" And "Second" Are Not Numerical Limitations; They Merely Distinguish Between Repeated Instances Of The Element Of Location And Indicate That The Transmission System Is Separate From The Reception System

The terms "first" and "second" in the '702 patent claims are not numerical limitations and they do not mean that the transmission system or the reception system is located at only one location.

In its Markman Order, the Court rejected Acacia's contention that the terms "first" and "second" were common patent law convention to distinguish between repeated instances of an element. (Markman Order, at page 30, n 21). The recent *Free Motion Fitness* case further reiterated that the terms "first" and "second" are not numerical limitations and, in fact, do not denote location; instead, these terms are indeed common patent law convention to distinguish between repeated instances of an element.

In *Free Motion Fitness*, the district court interpreted the claim phrase "first pivot point" as "an expression of location, specifically the first pivot point is chronologically the first point that pivots on the end of the extension arm where the arm is supported by the frame." *Free Motion Fitness*, __ F.3d at __ , 2005 U.S. App. LEXIS 19886, at *8. The Federal Circuit rejected this construction. The court reiterated the rule that "[t]he use of the terms 'first' and 'second' is a common patent-law convention to distinguish between repeated instances of an element or limitation." *Free Motion Fitness*, __ F.3d at __ , 2005 U.S. App. LEXIS 19886, at *9, *quoting*, *3M Innovative Props. Co. v. Avery Dennison Corp.*, 350 F.3d 1365, 1371 (Fed. Cir. 2003). Thus, the court held that the terms "first pivot point" and "second pivot point" merely distinguish the pivot point on the "first extension arm" from the pivot point on the "second extension arm:"

> "First" does not denote spatial location, that is, it does not suggest where on the "first extension arm" or the "second extension arm" the pivot points are

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"comprising," it is more conceivable that the patentees intended that the '702 patent claims would cover transmission systems at one or more location.

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> located. The correct construction of the word "first" merely associates the first pivot point with the first extension arm, and thus does not support the district court's judgment that the accused devices do not infringe.

Free Motion Fitness, __ F.3d at __ , 2005 U.S. App. LEXIS 19886, at *9-10.

The same is true in this case. The terms "first" and "second" were used to distinguish between repeated instances of the element of location. From the Court's construction, it appears that the Court understood that the terms "first" and "second" were used to indicate that the transmission system is separate from the reception system; the Court construed the transmission system as being "at one particular location *separate from* the location of the reception system" and construed the reception system as being "at one particular location *separate from* the location of the transmission system." (Markman Order, at 31:12-18; emphasis added).

Therefore, the terms "first" and "second" in the claims are not numerical limitations and do not mean that the transmission system or the reception system is limited to a single location.

IV. ALL OF THE DEFENDANTS EXCEPT FOR THE ADULT ENTERTAINMENT DEFENDANTS REPRESENTED BY FISH AND RICHARDSON AGREE WITH ACACIA'S CLARIFICATION OF THE COURT'S CONSTRUCTION "IN DATA COMMUNICATION WITH"

In its Motion for Reconsideration, Acacia asks the Court to clarify its construction of the phrase "in data communication with:" (1) to make clear that "two or more devices" are connected; and (2) to change the term "real-time" to another term – "while" – to avoid any confusion which could be caused by the fact that "real-time" could mean the amount of time necessary to view a video program, rather than the time for the data to be transferred. Acacia understood the Court's construction to exclude transferring data via a diskette and Acacia did not seek to disturb that result with its requested clarification. Acacia proposed a clarified construction for "in data communication with" as "two or more devices connected while data is being transferred between the devices." All of the defendants have agreed with Acacia's proposed clarified construction, except for the adult entertainment defendants represented by Fish & Richardson (the "Fish & Richardson defendants").

The Fish & Richardson defendants contend that Acacia's clarified construction would improperly permit transfers using diskettes to be included in the definition and would mean that the construction for "system" (an assembly of elements) would be circumvented. (Fish & Richardson

Opposition, at 8:14-27). The Fish & Richardson defendants therefore seek to add their own additional terms to the construction of "in data communication with" to specify that devices be "*continuously* connected." (Fish & Richardson Opposition, at 9:12-15).

Nothing in the patent specification or claims would support requiring that the elements of the transmission system or the reception system be physically "continuously connected" to one another or that the transmission system be physically "continuously connected" to the reception system. The claim term is "in data communication with." Nothing in this term, which uses the words "data" and "communication," connotes any continuous and/or physical (or otherwise) connection between the devices. The only requirement is that data be communicated between the devices, regardless of whether there is a physical continuous connection between the devices. The '702 patent teaches that the transmission and reception systems use common communication channels to communicate data – i.e., standard telephone, ISDN, broadband ISDN, microwave, DBS (direct broadcast satellite), cable television systems, MAN (metropolitan area networks), LAN (local area networks), high speed modems, VHF, and UHF – to communicate within the transmission system itself and between the transmission and reception systems. (See, '702 patent, 4:51-61; 15:30-40; 16:9-22; Figures 1g and 2b). It is indisputable that in every one of these communication channels (except for cable television), the two devices that are communicating are *never* physically "continuously connected."[6] The Fish & Richardson defendants' proposed construction, however, would improperly eliminate every communication channel disclosed in the patent from the claims of the '702 patent, except for cable television.

Acacia's proposed construction would not permit transferring data using a diskette to be included within the construction of "in data communication with." Acacia's proposed construction includes the requirement that the devices be connected *while* data is being transferred between the devices. If the data is copied onto a diskette from a transmission system and the diskette is flown across the country and then copied onto a reception system, the transmission system and the reception system are not in data communication. This is because, while the diskette is on the airplane, the transmission system is not connected to the reception system. When any of the communication channels disclosed in the patent are used, however, the devices would be physically connected *while* the data is being transferred between the devices.[7]

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[6] For example, two telephones are not physically connected until the correct number is dialed by one of the phones and a phone call is initiated. In a satellite transmission, the devices are only physically connected (via a signal) when communication occurs over an airwave, otherwise there is no physical connection between the satellite floating in space and transmitters and receivers on Earth. In a television broadcast transmission, the devices are only physically connected (via a signal) when communication occurs over the airwaves, otherwise the transmitter and television set are not physically connected. In a computer network, such as a local or metropolitan area network, two computers are not physically connected until a request for transmission is initiated which includes the proper computer address.

Acacia's proposed clarified construction for "in data communication with," which has been agreed to by all of the defendants except for the Fish & Richardson defendants, does not change the meaning of "in data communication with" that was intended by the Court. The Court should therefore reject the Fish & Richardson defendants' arguments and adopt the construction agreed to by every other party in this case.

V. THE COURT SHOULD NOT RECONSIDER ITS CONSTRUCTION OF "REMOTE LOCATIONS"

A. The Court's Construction of "Remote Locations" in the '992 Patent Claims as "Positions or Sites Distant in Space from the Transmission System" is Correct

In their Motion for Reconsideration, defendants seek to have the Court reconsider its construction of "remote locations" to mean "a location remote from the requesting site." Acacia filed an opposition to this motion and presented argument at the hearing demonstrating that the Court's construction – positions or sites distant in space from the transmission system – is correct.

At the hearing, defendants' counsel argued that the facts of the present case (with respect to the meaning of the term "remote locations" in the '992 patent) are identical to the facts in *Microsoft Corp. v. Multi-Tech Systems, Inc.*, 357 F.3d 1340 (Fed. Cir. 2004). Defendants are wrong.

In *Microsoft,* the court had to construe the meaning of the claim terms "sending," "transmitting," and "receiving" in three related patents. Some of the claims did not indicate whether these terms should be limited to "sending," "transmitting," and "receiving" over a telephone line (thereby excluding a packet-switched network, such as the Internet). *Microsoft*, 357 F.3d at 1346. The court looked to the common specification of all three patents for a meaning for these terms. The common specification "repeatedly and consistently describes the local and remote systems of the claimed inventions as communicating directly over a telephone line." *Id.* at 1347-48. Some of the statements "broadly describe the overall inventions of all three patents." *Id.* at 1348. As a result, the court was unable to read the claims of any of the three patents to encompass communications over anything but a standard telephone line, including a packet-switched network:

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[7] For example, two telephones are physically connected through the telephone system while data is being transferred. In a satellite or television broadcast, the transmitter and the receiver are physically connected via the airwaves while data is being transmitted. In a computer network, the transmitting computer and the receiving computer are physically connected through the computer network while the data is being transferred.

> In light of those clear statements in the specification that the invention ("the present system") is directed to communications "over a standard telephone line," we cannot read the claims of the '627 patent, the '649 patent, or the '532 patent to encompass data transmission over a packet-switched network such as the Internet. Instead, the specification shared by all three patents leads to the "inescapable conclusion" that the communications between the local and remote sites of the claimed inventions must occur directly over a telephone line.

Microsoft, 357 F.3d at 1348.

Thus, based on the specification, the Federal Circuit *construed* the terms "sending," "transmitting," and "receiving" to require communications over a telephone line, and not a packet-switched network. *Microsoft*, 357 F.3d at 1348-49 ("Accordingly, we construe the 'sending,' 'transmitting,' and 'receiving' limitations of the '627, '649, and '532 patents to require that the claimed data packets travel directly from a local site to a remote site (and vice versa) over a telephone line and not a packet-switched network.") The Federal Circuit did not rely on the prosecution history for any of the three patents to reach this construction; it relied solely on the common specification for each of the three patents.

In this case, unlike *Microsoft*, the shared specification of the '992 patent and its related patents do not lead to the "inescapable conclusion" that the term "remote locations" means "a location remote from the requesting site." This is demonstrated by the fact that the specification discloses many embodiments of the invention (described in Acacia's opposition), and in some of those embodiments (television broadcast and satellite) there is not even a request, and thus there can be no "requesting site." In the embodiment of the reception system shown in Figure 6 of the specification, the user can make his or her request using the reception system and can receive the information at the same reception system – i.e., the requesting site is the same as the receiving site, and both are remote from the transmission system. Nowhere does the common specification ever *require* that the location to which the information is transmitted by the transmission system is a location remote from the requesting site.

In *Microsoft*, the court also consulted the prosecution history of the ‘627 patent (chronologically, the second of the three patents to issue), but what it found only *confirmed* that “Multi-Tech viewed its inventions as being limited to communications over a telephone line.” *Microsoft*, 357 F.3d at 1349. This statement from the ‘627 patent prosecution history related solely to the common specification shared by all three patents and therefore it “unambiguously reflects Multi-Tech’s own understanding of its inventions in the ‘627, ‘649, and ‘532 patents as being limited to the transmission of data packets over a telephone line.” *Microsoft*, 357 F.3d at 1349.

The court held that this statement from the ‘627 patent prosecution history relating to the common specification would also be applicable to both the ‘649 and ‘532 patents (chronologically, the first and third patents to issue, respectively), because “Multi-Tech’s statement to the PTO was thus not limited to the invention disclosed in the ‘627 patent, but was a representation of its own understanding of the inventions disclosed in all three patents.” *Microsoft*, 357 F.3d at 1350. In so doing, the court specifically held that, although these statements, *which related to the common specification and to the scope of the invention*, could be considered when construing the *earlier* ‘649 patent claim terms, these statements were not binding on the patentee and did not create any estoppel with respect to the earlier ‘649 patent:

> [In *Georgia-Pacific Corp. v. U.S. Gypsum Co.*, 195 F.3d 1322, 1333 (Fed. Cir. 1999)] [w]e rejected the argument that the patentee was bound, or estopped, by a statement made in connection with a later application on which the examiner of the first application could not have relied. We did not suggest, however, that such a statement of the patentee *as to the scope of the disclosed invention* would be irrelevant. Any statement of the patentee in the prosecution of a related application *as to the scope of the invention* would be relevant to claim construction, and the relevance of the statement made in this instance is enhanced by the fact that it was made in an official proceeding in which the patentee had every incentive to exercise care in characterizing *the scope of its invention.* Accordingly, we conclude that Multi-Tech's statements made during the prosecution of the '627 patent *with regard to the scope of its*

> *inventions as disclosed in the common specification* are relevant not only to the '627 and '532 patents, but also to the earlier issued '649 patent.

Microsoft, 357 F.3d at 1350 (emphasis added).

There is a reason why the Federal Circuit went out of its way to limit its reliance on the statements made in the later-filed ‘627 patent prosecution history in construing the earlier-filed ‘649 patent claims. There were other statements in the later-filed ‘627 prosecution history which did not relate to the common patent specification or to the scope of the invention. These statements were specifically made to distinguish prior art references which were cited by the patent examiner when examining claims in the ‘627 patent and therefore the Federal Circuit did not rely on these statements when construing the claims of the earlier-filed ‘649 patent:

> During prosecution of the '627 patent, Multi-Tech went on to distinguish Lewen, which discloses the use of a token-ring local area network (“LAN”) to transmit voice, data, and image information, by explaining that “in contrast, Applicants’ voice packets do not circulate around a LAN but proceed directly from the communications system through the [telephone] line to a receiving communications system at the other end of the line.” (emphasis added). Multi-Tech further distinguished the Arbel reference on the basis that it does not disclose the transmission of packetized voice data “across” or “over” a POTS line. Those statements add further credence to our claim interpretation. *However, because they refer more specifically to the references cited against the claims of the ‘627 patent only, we limit their relevance to our interpretation of the ‘627 patent.*
>
> Moreover, the prosecution history statements that we rely on were made by Multi-Tech in May 1997 and relate to the communications system disclosed in the common specification. *We do not, as the dissent suggests, rely on the November 1997 “modem” amendment, which applies only to the ‘627 patent.*

Microsoft, 357 F.3d at 1349 n 5 (emphasis added).

In this case, unlike *Microsoft*, there were no statements in the ‘720 patent file history which related to the common patent specification or which related to the scope of the invention in the ‘992 patent and in the ‘720 patent. Instead, as described in Acacia’s opposition, the statements relied on by the defendants each relate to statements made regarding references cited only in the later-filed ‘720 patent and relating to claims that were being prosecuted in the ‘720 application only. Thus, like *Microsoft*, the Court should not consider the statements in the ‘720 patent prosecution history when construing the claim term “remote locations” in the ‘992 patent, because those statements relate only to the references cited in the ‘720 patent with respect to claims that were only prosecuted in the ’720 patent application. The patent examiner of the ‘992 patent could not have considered or relied on the statements made six years later in the ‘720 patent prosecution history.

In its Markman Order, the Court rejected the Fish & Richardson defendants’ request to consider the same statements from the ‘720 patent when construing the term “remote locations” in the ‘992 patent. In so doing, the Court held, consistent with *Microsoft*, that it would not consider a comment made in 1998 regarding an amendment to a claim made in 1998 to construe a term in the ‘992 patent, which issued in 1992:

> During claims construction of the ‘992 patent that issued in 1992, it would be improper for the Court to consider a comment made during prosecution of a related patent (the ‘720 patent) regarding an amendment to a claim made in 1998 to overcome 1993 prior art. *See id [Microsoft*, 357 F.3d at 1349 n 5]; *Georgia-Pacific Corp. v. United States Gypsum Co.*, 195 F.3d 1322 (Fed. Cir. 1999).

(Markman Order, at 7:16-19).

The Court’s refusal to consider the patentees’ statements from the ‘720 patent when construing the term “remote locations” in the ‘992 patent was therefore correct. The Court should therefore not reconsider its decision on the meaning of “remote locations” in the ‘992 patent claims.

VI. THE COURT SHOULD NOT RECONSIDER ITS CONSTRUCTION OF “TRANSCEIVER”

A. The Court’s Construction Of “Transceiver” As “A Singular Device Capable Of Both Sending And Receiving Information” Is Correct

In its Motion for Reconsideration, defendant DIRECTV seeks to have the Court reconsider its construction of “transceiver” to mean “a singular device that interfaces with a single communication medium and that is capable of sending and receiving data over that communication medium.” Defendants rely on the expert declaration of Dr. Andrew Lippman. Although available to testify at the hearing on September 9, 2005, Dr. Lippman did not provide any live testimony at the hearing. Instead, DIRECTV stated that it would rely on Dr. Lippman’s declaration. As discussed above, Dr. Lippman’s declaration is hearsay and therefore the Court should not admit it into evidence.

At the end of the hearing, DIRECTV's counsel Mr. Savikas referred to Dr. Lippman's declaration and contended that Dr. Lippman stated in his declaration that, in the one-way transmission example (satellite and cable), only the receive function of the transceiver is being used:

> He [Dr. Lippman] goes on to say in his declaration that the patent says that when item distribution occurs through a broadcasting method, such as a communications satellite, the process is one way. In that case you're just using the transmit, I'm sorry, the receive section of the transceiver. So once again, Dr. Lippman uses the term as, as well understood by those in the art and as, as relevant to the internal logic of the patent.

(Sept. 9, Transcript, at 423:20 – 424:3).

Mr. Savikas was incorrect, because Dr. Lippman does not state in his declaration that, in the one-way broadcasting method, only the receive section of the transceiver is used. Dr. Lippman did not provide such an opinion in his declaration and he did not testify at the hearing. Therefore, Mr. Savikas' contention that DIRECTV's construction for "transceiver" is consistent with the "internal logic" of the patent is unsupported.

The Court's construction of transceiver is consistent with the "internal logic" of the patent. There is no dispute that a transceiver is a singular device capable of sending and receiving information, as construed by the Court. The dispute is whether the transceiver must only transmit and receive using the same, single communication medium. This construction, however, would not be consistent with the patent specification. The specification discloses an embodiment of the invention wherein the transmission system transmits information using a satellite or cable transmitter (as shown in Figure 2b and described at '702 patent, 16:34-45). In this embodiment, the reception system communicates with the transmission system by transmiting information to the transmission system over a telephone communication medium. This is consistent with the Court's construction that the transceiver is a singular device capable of both sending and receiving information.

At the hearing, Acacia's counsel quoted from Dr. Lippman's declaration in which Dr. Lippman states that the only device shown in Figure 6 that is capable of transmitting to the transmission system is the transceiver 201:[8]

> Further with respect to the two-way communication process, because a transceiver 201, illustrated in Figure 6 and described at 17:22-25, is disclosed as part of the reception system 200 that receives the data from the transmission system, one skilled in the art would understand that the transceiver 201, of the reception system 200, transmits the confirmation of the reception back to the transmission system. *Indeed, the only device illustrated in Figure 6 that is capable of transmitting to the transmission system a confirmation that the initial data block has been received is transceiver 201.*

(Lippman Decl. re Transceiver, at ¶ 28; emphasis added).

Thus, According to Dr. Lippman, the only device in the reception system for transmitting to the transmission system is the transceiver, and thus the patent specification teaches that the transceiver in this embodiment receives information via a satellite or cable communication medium and transmits information via a telephone communication medium. In the one-way broadcasting method, the transceiver is both receiving information via a satellite communication medium and is transmitting information via a telephone communication medium.

At the hearing, Mr. Savikas referred to statements made by Acacia in its initial Markman briefing regarding the transceiver and commented that Acacia's earlier statements were contrary to statements made at the hearing, which referred to the statements in Dr. Lippman's declaration. (Sept. 9, Transcript, at 424:14- 425:19). Acacia's earlier statements were made in response to the Adult Entertainment defendants' contention that the transceiver was not limited to a single housing and not limited to using common circuit components for both transmitting and receiving. Acacia pointed to the user/computer interface 207 as being another set of components that perform the function of transmitting.

Acacia did not have the benefit of Dr. Lippman's declaration when it made those earlier statements. In his declaration, Dr. Lippman states his opinion that persons of ordinary skill in the art would understand that the only device in the reception system that performs the transmitting function is the transceiver. Implicit in Dr. Lippman's statement is his belief that the user/computer interface does not perform any transmitting function. Further, Dr. Lippman does not contend that one of ordinary skill in the art would understand the ordinary meaning of transceiver to require that the transceiver must be in a single housing or that a transceiver must only use common circuits components. Instead, the only change that Dr. Lippman states that he would make to the Court's construction is adding the requirement that the transceiver both transmit and receive information over the same, single communication medium. (Lippman decl., ¶ 22).

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[8] Although Acacia contends that Dr. Lippman's declaration is inadmissible hearsay, paragraph 28 of Dr. Lippman's declaration is admissible as an admission by a party-opponent under Federal Rules of Evidence, Rule 801(d)(2)(C).

Accordingly, the Court should not reconsider its construction of "transceiver."

VII. CONCLUSION

For the reasons discussed above, the Court should reconsider its constructions of " "transmission system," "transmission system at a first location," and "reception system at a second location," and should clarify its construction of "in data communication with," as proposed by Acacia. The Court should not reconsider its construction of "remote locations" or "transceiver," as proposed by defendants.

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